



Mariko Mitsui

Market activity is increasing, but affordability remains questionable

Traditionally a quiet month, February's market activity reflected consumer sentiment in two important areas: affordability and available inventory.

30-year mortgage rates dropped slightly from 6.95% to 6.76%, but that may not be enough to encourage buyers when faced with continuing rising prices. The median price for residential homes and condominiums rose 2.4% from \$615,000 in January 2025 to \$630,000 in February 2025.

Although the number of active listings is significantly higher than a year ago (39.4% greater), the annual growth in the number of transactions is much smaller (only 1.9%). "On balance relative to a year ago, more homeowners are wanting to sell," said Steven Bourassa, director of the Washington Center for Real Estate Research (WCER), "but buyers continue to be challenged by affordability."

Overall, inventory levels remain stubbornly low. Most industry experts consider a balanced market to have 4 to 6 months of inventory. However, at the current rate of sales, it would take less than two and a half months (2.45) to sell every home that is for sale in the NWMLS service area.

Meanwhile, homebuilders are bracing themselves for increases in construction costs following the White House's announcement of tariffs on imports from Canada and Mexico beginning March 4th. "The prices of materials will have a major impact on affordability," said Bourassa, "and increases in construction costs will affect the prices of existing homes in addition to new homes."

"The values of existing structures are based on their replacement cost," he continued. "CoreLogic has estimated that the tariffs might increase the cost of home construction by 4% to 6% across the country, while household fixtures, such as appliances and cabinets, could increase in price by 10% to 20%." -NWMLS

King County	2024	2025
New Listings	1,711	1,759
Pending Sales	1,363	1,422
Closed Sales	1,091	1,064
Days on Market	31	30
Average Price	1,194,243	1,183,385
% of List Price Received	101.80%	102.30%
Inventory of Homes	1,449	1,958

Seattle to get new 'Makers' District with affordable housing, industrial workspaces near T-Mobile Park

Seattle will get a new "Makers' District" in the SODO neighborhood, which will include nearly 1,000 apartment units over subsidized workspaces, along with hotels and restaurants.

The City Council adopted Council President Sara Nelson's plan late Tuesday. But it didn't happen without some major drama.
-Read more at KUOW npr Network

Breakouts! – Residential SOLD Average Feb. 2025 (King/Snohomish County) SOLD Average

Area (Area Code)	Average \$ Feb. 2025	Average \$ Feb.2024	2025 VS 2024
Auburn-Federal Way (110-310)	\$ 675,208	\$ 664,202	1.66%
Kent-Maple Valley (320-340)	\$ 790,617	\$ 772,754	2.31%
West Seattle (140)	\$ 935,818	\$ 923,019	1.39%
SODO-Beacon Hill (380-385)	\$ 917,952	\$ 835,579	9.86%
E.lake-Madison-Capitol Hill (390)	\$ 1,320,676	\$ 1,473,610	-10.38%
Queen Anne-Magnolia (700)	\$ 1,432,914	\$ 1,537,026	-6.77%
*Belltown-Downtown Seattle(701)	\$ 930,284	\$ 935,418	-0.55%
Ballard-Greenlake (705)	\$ 1,039,173	\$ 1,027,137	1.17%
North Seattle (710)	\$ 1,190,915	\$ 1,295,309	-8.06%
Shoreline/Richmond Beach (715)	\$ 832,375	\$ 896,032	-7.10%
Bellevue Downtown (520)	\$ 2,859,749	\$ 3,899,404	-26.66%
Mercer Island (510)	\$ 3,480,100	\$ 2,344,500	48.44%
Bellevue South-Newcastle (500)	\$ 1,753,578	\$ 1,621,342	8.16%
Renton Highlands-Downtown (350)	\$ 1,054,480	\$ 920,082	14.61%
Microsoft-Bellevue East (530)	\$ 1,697,409	\$ 2,048,933	-17.16%
Kirkland Downtown (560)	\$ 2,299,398	\$ 2,474,765	-7.09%
Redmond (550)	\$ 1,370,802	\$ 1,332,081	2.91%
Issaquah-Sammamish (540)	\$ 1,583,353	\$ 1,651,770	-4.14%
Juanita-Bothell-Woodinville (600)	\$ 1,717,799	\$ 1,373,082	25.11%
Bothell North-Mill Creek (610)	\$ 1,197,831	\$ 1,230,153	-2.63%
Edmonds-Lynnwood (730)	\$ 968,217	\$ 986,993	-1.90%
Everett-Mukilteo-Snohomish (740)	\$ 875,643	\$ 782,765	11.87%

*Condominium SOLD Average

Credit available for mortgages continues to increase

February's mortgage credit was at its highest level since March 2023. The MBA's mortgage credit availability index (MCAI) rose 1.4% in February to 100.4. A decline in the MCAI indicates that lending standards are tightening, while increases in the index indicate that credit is loosening.

The conventional MCAI increased 1.3%, while the government MCAI increased by 1.4%.

Joel Kan, MBA's vice president and deputy chief economist, said that mortgage credit availability in February increased for the third consecutive month to its highest level since March 2023.

-By Jeff Bond Scotsman Guide

***NEW CONFORMING LOAN AMOUNT LIMITS FOR 2025:**
KING/PIERCE/SNOHOMISH COUNTY \$806,500.00 High Balance \$977,500.00

Weekly Primary Mortgage Market Survey® (PMMS®)				
March 21, 2025	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Average Rates	6.50%	5.75%	5.25%	-
Fees & Points	*All loans have a one-point origination fee.			
APR	6.524%	6.275%	5.459%	-

** Owner Occupied / Single Family Residence
All loans are with a one-point origination fee
740 credit score and 20% down payment for conventional

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